DOCUMENT RESUME

ED 392 892 CE 070 891

TITLE	How To Manage Older Workers. [Revised.]
INSTITUTION	American Association of Retired Persons, Washington, DC. Work Force Programs Dept.
PUB DATE	94
NOTE	24p.; For a related document, see CE 070 892.
AVAILABLE FROM	AARP Work Force Programs Dept., Business Partnerships, 601 E Street, N.W., Washington, DC 20049 (stock no. D13288).
PUB TYPE	Guides - Non-Classroom Use (055)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	Adult Education; *Age Discrimination; *Aging (Individuals); *Employer Attitudes; Employer Employee Relationship; Employment Practices; Equal Opportunities (Jobs); Leadership Styles; Middle Aged Adults; Motivation; *Motivation Techniques; Older Adults; Personnel Management; Personnel Policy; *Supervisors; *Supervisory Methods; Work Attitudes
IDENTIFIERS	*Older Workers

ABSTRACT

This publication focuses on the challenges to management of dealing with older workers. Section 1 addresses motivating older workers who may perceive that their opportunities for promotion and increased earnings are limited. Six principles to guide this motivation are discussed: needs can be powerful motivators; to motivate, link need satisfaction to behavior; an important first step in linking need satisfaction to performance is to set specific, challenging, but reachable goals for the employee; after goals have been set and accepted, make sure employees have the means to achieve the goals; reward achievement; and improve motivation by changing the nature of the work. Section 2 on the influence of age stereotypes on work relationships describes a study that used a series of management problems to demonstrate how age stereotyping occurs in a business environment. Strategies for identifying and overcoming age stereotypes are suggested. Section 3 on managing the older worker makes recommendations for special situations when younger managers supervise older employees. These issues are considered: communications breakdowns, status uncertainties, obsolescence problems, overcoming resistance to change, and conflict management. The advantages and disadvantages of four styles of managing conflict are outlined: avoiding conflict, compromising, forcing, and problem solving. Section 4 considers creating alternative work arrangements for older workers. Contains nine references. (YLB)

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How to

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HOW TO MANAGE OLDER WORKERS

Business Partnerships
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American Association of Retired Persons

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Preface

The nation's population is aging, resulting in a growing number of middle-aged and older employees. This presents a variety of challenges to management, among them:

- ☐ How to motivate older workers
- ☐ How age stereotypes influence relations between younger and older employees.
- ☐ Will younger managers have problems supervising older employees?
- ☐ Which new human resource management policies will maintain the productivity of older employees?

Older workers can contribute to solving some of the major challenges facing business today. In the face of growing numbers of poorly educated, unskilled, and undermotivated workers, business can call upon the experience, stability, good judgment, and maturity of older workers to fill important organizational positions. In today's workforce, older workers provide the perspective of a lifetime of experience and knowledge. Research has shown that older workers have farsighted views of their work and more accepting and responsible attitudes toward it. When positively motivated, older workers can extrapolate from their experience to develop creative solutions to today's problems.

Motivating Older Workers

Most older workers continue to work hard and perform well. Those who do not often perceive that their opportunities for promotion and increased earnings are limited. If this happens, management must find ways to motivate the employee.

Motivational attitudes vary as much among older employees as among employees in general, but there are some motivational approaches that may be particularly effective with older workers.

Principle 1: Needs Can Be Powerful Motivators.

To motivate workers, managers must first understand their needs. These may include the pursuit of basic necessities, social needs involving relationships with other people, or needs for selfrealization by working to their full potential.

Research has shown that certain needs tend to be especially important to older workers. One is financial security. As retirement approaches, older workers may fear that, after they retire, they won't have enough money for necessities and may have to reduce their standard of living.

Surveys also show that many older workers are also concerned about social needs. They prefer jobs with friendly coworkers and supervisors. Many older workers also have a strong need to make a contribution.

Older workers can contribute to solving some of the major challenges facing business today.

In summary, for most older workers, the needs for financial security, social affiliation, and opportunities to make a contribution are paramount. To motivate them, managers must be aware of these needs and also recognize that needs vary among individuals.

Principle 2: To Motivate, Link Need Satisfaction to Behavior.

Merely satisfying the needs of older workers will not motivate them to do their jobs. Satisfied employees are more likely to have high morale and speak favorably about the organization, but they are not necessarily more productive.

For need satisfaction to lead to better job performance, need satisfaction must be linked to job performance. There are two ways to do this. One is through goal setting, and the other is through reinforcement.

Principle 3: An Important First Step in Linking Need Satisfaction to Performance Is to Set Specific, Challenging, But Reachable Goals for the Employee.

Research shows that people do better when they are working toward specific, challenging, but reachable goals. Among the benefits of goalsetting are raised productivity, improved work quality, relieved boredom, increased work satisfaction, spontaneous competition among employees, enhanced self-confidence and pride, and increased willingness to accept future challenges.

In setting goals, consider the following steps:

1. Specify the general objective or tasks to be done.
2. Specify how job performance will be measured. Sometimes this can be specified in physical units, such as quantity of production, market share, number of errors or number of rejects. On some jobs, time measures can be used, such as meeting deadlines, completing a project, coming to work each day, being punctual. On some jobs, money measures are available, such as profits, sales, costs, budgets, debts or income.
3. When specifying performance goals with measurable outcomes, make sure that the outcomes are within reach of the employee.
4. Make sure that all assigned goals are mutually compatible.
5. Specify the standard or target to be reached.
6. Specify the time span involved.
7. Prioritize goals.
8. Rate goals on difficulty and importance.
9. Determine coordination requirements.

Participation in goal-setting can lead to a better understanding of the job to be done and how best to do it. When working with older employees, it is especially desirable to invite them to participate in goal-setting, because this shows respect for their ideas and gives them the chance to confirm their understanding and acceptance of the goals.

For most older workers, the needs for financial security, social affiliation, and opportunities to make a contribution are paramount.

When a goal has been set and accepted by the employee, a potential for stress has also been created. If reaching the goal is very important to the employee, when achievement of the goal is blocked or begins to appear impossible stress may result. This can be especially frustrating when the employee has multiple goals and there is no way that he or she can meet all of them.

Other potential difficulties arising from goal-setting are recklessness and excessive risk taking by the employee, regarding goals as ceilings and coasting when the goal is almost reached, ignoring non-goal areas, losing sight of long-range goals for the sake of reaching shorter-range goals, and cutting corners or even resorting to dishonesty to measure up. In spite of these potential difficulties, goal-setting has proven effective as a motivational approach. Without goal-setting, employee performance lacks direction.

Principle 4: After Goals Have Been Set and Accepted, Make Sure That Employees Have the Means to Achieve the Goals.

Management should provide older workers the same degree of assistance that is provided to other employees. In some organizations, there is a tendency to pay close attention to the needs of new employees while neglecting the long-time staff. Sometimes managers are reluctant to train people whom they believe will soon be retiring. The solution is to discuss any needed assistance, including training, when goals are set.

Principle 5: Reward Achievement.

Implicit in the goal-setting process is a promise that meeting goals will be rewarded. Some rewards and suggestions for their use are:

1. *Money*. Money can be used to satisfy a wide variety of individual needs. For that reason, monetary incentives work well with employees of all ages, and especially well with those older employees who may be especially concerned about their financial security. Employees should be told that their job performance will be rewarded through an incentive pay system or merit raises based on performance.
2. *Recognition*. Public recognition for a job well done can help to strengthen goal-achieving behavior. In some jobs, goals can be posted and achievements can be recorded. For the majority of older employees who have reached career plateaus, recognition for accomplishments is especially important.
3. *Competence*. Most people have a need to achieve what they are capable of achieving. If given the opportunity, they will keep score on themselves and reward themselves for their accomplishments and competence. Opportunities for this self-administered performance monitoring and feedback should be built in during the goal-setting process.

Management should provide older workers the same degree of assistance that is provided to other employees.

For example, Emery Air Freight encouraged its employees to keep track of their own productivity, with a bit of additional recognition and encouragement from their supervisors. The results in improved performance were impressive.

4. *Social Interaction*. Because some older employees have strong social needs, management should be on the lookout for ways to provide employee social opportunities such as participation in conferences or special opportunities to interact with customers and clients as a reward for good job performance.

Principle 6: Improve Motivation by Changing the Nature of the Work.

For most people, almost any job that is repeated too often becomes boring. Often there are ways to add new elements to a job to make it more interesting. For instance, rather than have an employee do only one small piece of a large job, expand the assignment to doing the complete job, from beginning to end. This varies the job, uses a wide variety of skills, and gives the employee a greater feeling of accomplishment.

In addition, you can increase employees' responsibility by giving them greater autonomy (freedom, independence, and discretion). You can also give them clear and timely feedback about their job performance. Reward good performance, and do not condone poor work.

It is often difficult to judge whether an employee's lower job performance is caused by a lack of skill or a lack of will. Even though an older employee may once have had a skill, there is no assurance that the skill remains.

It is also important to recognize that motivation methods that once worked effectively may not continue to work. The novelty of new approaches may wear off, resulting in decreasing job performance. For this reason, employee motivation is an ongoing management concern.

When job changes are necessary, assure the older employee that they will be given training, support, and plenty of time to adjust.

Given the recent trends to create self-managed work teams, assign older workers wherever possible to teams where their experience and knowledge will compliment other team members.

Older workers best adjust to new roles that build on their present strengths. Ask older workers to become mentors to newcomers. Ask for their help in orientation programs and coaching situations where less experienced workers could benefit from the advice and counsel of experienced older workers.

For most people, almost any job that is repeated too often becomes boring.

The Influence of Age Stereotypes on Work Relationships

What Are Stereotypes?

Stereotypes are mental pictures of people based on their membership in a group. Typical stereotypes are based on membership in race, age, sex, ethnic or occupational groups. Typical ethnic stereotypes depict the English as proper and the Scots as frugal. Occupational stereotypes depict accountants as concerned with details and professors as absent-minded.

What Are Common Age Stereotypes?

Age stereotypes include such cliches and expressions as "Over the hill," "You can't teach an old dog new tricks," and "Out to pasture."

In a 1976 study by Rosen and Jerdee, groups of business people and university business students were asked to describe the typical 30-year-old and the typical 60-year-old worker. The older worker was rated much lower than the 30-year-old on performance capacity and potential for development.

On performance capacity, the younger man was described as more productive, efficient, motivated, and capable of learning under pressure. The older man was described as more accident prone.

On the potential for development, the younger man was described as more ambitious, eager, and future-oriented. He was rated as more capable of learning, more adaptable, and more versatile. The older man was described as more rigid and dogmatic.

Do Age Stereotypes Influence Management Decisions?

Management decisions based on first impressions or on incomplete or ambiguous information are vulnerable to the influence of age stereotypes despite the fact that most managers feel they do a good job of judging their employees.

A Rosen-Jerdee study used a series of management problems to demonstrate how age stereotyping occurs in a business environment. One problem involved poor performance, a second highlighted a skills obsolescence problem, and a third featured a promotion decision. There were two versions of each problem. In one, the problem employee was described as younger and in the second version the problem employee was described as older. Personnel files showing photos of the younger or older employees were also included.

Over 1,000 American executives read either the "younger" or the "older" version of each management problem. The executives reported how they would resolve the issues. Since all of the factual information was identical, their responses were probably based on age stereotypes.

Management decisions based on first impressions or on incomplete or ambiguous information are vulnerable to the influence of age stereotypes.

Willingness to Change

The first case described a shipping department clerk who was not responsive to customer complaints about late or lost orders. Rather than responding in a helpful and apologetic manner to customers, the clerk often gave customers a lecture on customer patience. Managerial reactions to this problem depended very much on the age of the shipping clerk.

When the shipping clerk was depicted as a younger man, the majority of executives predicted the employee could and would change his poor customer relations. They recommended an encouraging talk with the employee.

When the shipping clerk was depicted as an older employee, executives predicted that changing the employee's behavior would be quite difficult. They recommended working around the employee by reassigning the job of handling customer complaints to another employee.

In the latter case, executives fell back on age stereotypes, characterizing older workers as rigid and resistant to change. They assumed that encouraging the older employee to improve his performance would be useless, a waste of time. Accordingly, they decided to work around the older employee rather than work with him. Managers failed to realize that the decision to work around the older employee robbed him of an opportunity to improve his performance.

Keeping Skills Current

A second case showed the influence of age stereotypes on training and development decisions. In this instance, a technical employee requested time off and financial support to attend a training conference. She said that the conference would help her keep up with new theories and research relevant to production systems. As in the previous case, two versions of the request were written, one coming from a younger employee and the other coming from an older employee. Executives read only one version and made their recommendation.

A larger number of executives perceived the younger employee to be concerned with keeping her skills current. The older employee was perceived to be concerned about getting her fair share of the training budget. About three-fourths of the executives recommended that funds be allocated for the younger employee to attend the training seminar. Only about half of the respondents favored company support to train the older worker.

Responses to this case show how stereotypes about the motivation and ability of older workers to renew their skills lead to less investment in their training and development. Research suggests that these stereotypes are more myth than fact. Yet, decisions to withhold retraining opportunities can hurt the morale and motivation of the older worker.

Research suggests that these stereotypes are more myth than fact.

These decisions can speed skills obsolescence and contribute to the "deadwood" problems organizations work so hard to avoid.

The responses may have also been influenced by assumptions that investments in training and development for older workers are unwise because of a shorter payback period. *Often comparisons of turnover rates among younger and older employees reveal that turnover rates are higher among younger workers.*

Seeking Career Paths

In the third case, a marketing director's position was open. The job specifications called for the "ability to develop fresh solutions to challenging problems" and the need for "farsighted abilities to predict consumer tastes."

Executives reviewed either a younger or an older candidate with otherwise identical work histories for the job. Ratings showed much less support for promoting the older employee.

When age stereotypes — for example that younger people are more creative and innovative than older — influence promotion decisions, many qualified senior employees may find themselves in career plateau situations. The effects of career stagnation can reduce motivation. The message communicated to senior employees is that no matter how high your motivation and performance, once you are above a certain age, your chances for promotion are limited.

In each of the three cases, age stereotypes influenced managerial decisions. In one instance, respondents viewed the older worker as more rigid and resistant to change. Therefore, they were more inclined to transfer him than to help him with a performance problem. Similarly, respondents would not retrain an older employee whose skills were in danger of becoming obsolete. There was also a tendency to withhold a promotion from an older manager. When executives deny older employees opportunities for promotion or training, they relegate them to "marking time until retirement."

The Dangers of Self-Fulfilling Prophecies

The belief that older workers reach a point in their careers where their motivation declines and they merely go through the motions of work until retirement may be due, in part, to organizationally created self-fulfilling prophecies. When managers assume that older workers' performance will decline, they may withhold promotions, limit training investments and even avoid providing candid performance feedback. To the extent that high-performing senior employees recognize that their good work is no longer linked to organizational rewards, they may adopt a "why try?" attitude. *Motivational decline may be more related to age than to managerial expectations and treatment of older workers.*

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Identifying and Overcoming Age Stereotypes

Age stereotypes are false. Research has shown that differences among employees in motivation, commitment, job performance, attendance, and accident-proneness are seldom related to chronological age. Even age-related differences in reflexes, memory, and coordination are small and rarely impede job performance.

According to Harold Sheppard, a White House advisor on the problems of the elderly in the Carter administration, "Discrimination against older people is more ingrained in Americans' minds than sexism or racism." Deep-rooted beliefs about older employees' capacities are hard to overcome. As Representative Claude Pepper said on his 81st birthday, when he opened the meeting of the U.S. House of Representatives Select Committee on Aging:

"Competence, not age, should determine whether a person may keep a job. To do otherwise is to squander one of our nation's most precious resources and to hasten the day of the end of those who are denied the experience that would keep them vitally and for a long time alive."

What can managers do to overcome age stereotypes? In some instances, managers shall try to change attitudes through education or involvement. In other instances, they should concentrate on eliminating unfair treatment based on age stereotypes. Here are several strategies to help ensure equal employment opportunities for older workers:

- ☐ *Education and Communication.* Inform managers about the problem of age stereotypes. Show them how unconscious stereotypes can lead to unfair treatment of older workers.
- ☐ *Participation and Involvement.* Appoint a committee or task force to investigate the possible career problems of older workers. Have the group develop recommendations for utilizing older employees to their full capacity. Groups charged with investigating important management problems and recommending solutions often develop a special interest in implementing the new policies and practices.
- ☐ *Rewards for Behavioral Change.* Set goals with managers for fully training, developing, and utilizing senior employees. Reward managers for meeting these

Competence, not age, should determine whether a person may keep a job.

goals just as you would reward managers for reaching financial goals. Provide bonuses for managers who come up with creative new approaches for recruiting, training, supporting, and retaining senior employees. *Studies find that when managers change their behavior, their attitudes often change to become consistent with the new behaviors.*

- ☐ *Strict Enforcement of Age Discrimination Regulations*. Provide managers with a complete understanding of age discrimination laws. Discuss the serious consequences for individuals and organizations for violating these regulations.

While no single approach will overcome deeply ingrained attitudes about older people, each of these strategies could help ensure fair treatment for older workers.

Studies find that when managers change their behavior, their attitudes often change to become consistent with the new behaviors.

Managing the Older Worker

Principles of effective management should apply to workers of all ages. However, special situations arise when younger managers supervise older employees. Managers should be aware of these situations and be prepared to handle them effectively. Examples of issues include:

- ☐ Communications breakdowns;
- ☐ Status uncertainties;
- ☐ Obsolescence problems;
- ☐ Overcoming resistance to change; and
- ☐ Conflict management.

Communications Breakdowns

Given differences in attitudes, values, beliefs and career stages, there is a potential for communications breakdowns between younger and older employees. Employees of all ages must learn to appreciate each other's perspectives on work and life.

A frank discussion between younger supervisors and their older employees can do much to clear the air. Younger supervisors should state clearly their individual and organizational goals. Similarly, older employees must communicate their needs, aspirations, and uncertainties. These discussions could take place in the context of planning and goal-setting sessions, in performance review conferences, or more informally. The point is to dispel false assumptions, stereotypes, or erroneous conclusions that often lead to serious communications breakdowns.

Status Uncertainties

Individuals adjust their behavior to their status compared with other people. People generally show deference and courtesy to people of higher status, and they are more assertive and controlling toward others of lower status. Status depends on many factors including age, experience, past achievements, job title, and salary.

Relative statuses are consistent when older managers supervise younger employees. Each knows his or her role. The younger employee recognizes that social convention dictates that he/she listen attentively, follow directions, defer to his or her boss's opinions, and try to create a favorable impression.

Relative statuses are inconsistent when younger managers supervise the work of older employees. For many, this is an awkward situation. Role requirements dictate that younger managers plan, supervise, and evaluate the work of older workers. Yet providing feedback, particularly negative feedback, to an older subordinate makes some younger managers uncomfortable. The problem increases when the older employee has many years of tenure and experience.

Younger managers need to overcome their discomfort in supervising older workers. One approach is to tap the older employee's experience, as shown in the following example:

Principles of effective management should apply to workers of all ages.

Manager: "We are falling behind schedule on delivery dates. Some of our customers are quite worried. You have seen these kinds of problems happen before. Based on your experience, what do you think will help get us back on track?"

A second approach is to admit the awkwardness of the situation and then confront the problem directly.

Manager: "As a relatively new, younger department manager, I am uncomfortable talking with you, our most experienced senior employee, about performance problems. However, I am very concerned that our deliveries are behind schedule. Late deliveries hurt our reputation for customer service."

Younger managers must be prepared to deal with the occasional awkwardness associated with supervising older workers. The worst possible outcome would be to do nothing and allow the situation to deteriorate further.

Skills Obsolescence

Obsolescence happens when employee skills no longer match job requirements. In some instances, job requirements change when new technologies or procedures are introduced, and employees don't have the time or opportunity to master the new skills. In other instances, skills atrophy when they are not used. In either case, managers are faced with retraining, transferring, or terminating the employee. In extreme situations, failure to take any action can hurt the employee's self esteem and performance. This poor performance will reflect badly on the manager.

Managers who are willing to invest in retraining older employees must motivate them to take advantage of training and development opportunities. Older employees sometimes worry about their ability to master new skills, or they are uncertain about the connection between the training and their present job demands. To overcome these problems, managers must:

- ☐ Alert trainers to any special concerns of older employees.
- ☐ Provide a training situation that encourages and views mistakes as opportunities to learn.
- ☐ Clearly explain the purpose, objectives, and relevance of training to present and future job demands.
- ☐ Link successful completion of training to professional rewards such as new job assignments, bonuses, and opportunities for advancement.

Note: Another AARP booklet in this series, *How to Train Older Workers*, gives information on identifying training needs, design of specific training programs, and specific training techniques for older employees.

Managers who are willing to invest in retraining older employees must motivate them to take advantage of training and development opportunities.

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Overcoming Resistance to Change

Organizational life is marked by rapid change; goals, policies, procedures, and technologies change. Reporting relationships change, jobs change, and people change. Organizations that are slow to adapt to change lose their competitive edge.

Long-tenured employees (both young and old) sometimes resist organizational change. They have invested much of themselves in the present system. They feel safe and comfortable. Most are confident that they can succeed within the current system.

Changing the system creates uncertainty. Some fear a loss of power or status. Others worry abut personal success and job security.

Resistance can take the form of outspoken opposition. Employees point out what is wrong with the new system and what is right about the old one. In many situations employees passively resist change. Rather than voice opposition, they remain silent or feign agreement with the new procedures. However, when it comes to implementation, they cling to old ways.

Overcoming resistance to change is basically a three-step process:

1. Unfreezing.
2. Changing.
3. Refreezing.

Unfreezing requires understanding the reasons for resistance to change. Once this is understood, managers can deal with why the reasons are not valid.

Changing requires motivating employees to accept the new methods or policies and ensuring that employees have the knowledge and skills to implement the change.

Refreezing involves building acceptance and support for the new procedures. Linking rewards to the implementation of the new procedures helps solidify the change.

For example: A well-known hotel in a major city was recently purchased by an international chain. One of the first changes introduced by the new owners was the installation of a computerized reservation system. Many of the reservation clerks, including several with over 20 years of experience, resisted the system. They complained that the computers were unreliable, complex, and often "down." Several continued to record reservations manually. They then asked their colleagues to enter the reservation information into the computer at the end of the day.

To unfreeze attitudes, management held several group meetings. Using excellent listening skills, managers and computer trainers compiled a list of the clerks' concerns with the new system. They discussed each concern thoroughly and talked about how to resolve each issue.

Changing requires motivating employees to accept the new methods or policies and ensuring that employees have the knowledge and skills to implement the change.

Management agreed to the reservation clerks' idea of using both the manual and computerized systems during a one-month training period.

To create change, management developed a comprehensive computer reservation training program. Senior reservation clerks worked with the computer experts to design the training modules. During the first week, an experienced trainer coached each reservation clerk on how to use the system. The training pace was adjusted to the learning style of each clerk.

To refreeze, clerks were asked to record the number of reservations processed under the old and new systems. It became clear to the clerks that faster, more accurate service would be provided to the hotel guests under the new system. The hotel rewarded clerks who used the new system accurately with free hotel accommodations at other hotels in the chain.

Conflict Management

There is conflict to some degree in most organizations. Disagreements between supervisors and subordinates, line and staff, marketing and production, and union and management are everyday occurrences. In fact, the absence of interpersonal and organizational conflict may signal apathy or stagnation.

Conflicts involving older workers frequently center on job assignments, priorities, appropriate methods, work loads, and rewards. Managers have many different styles of managing conflict. Each style has its own advantages and disadvantages.

1. Avoiding Conflict

Conflict avoiders see areas of disagreement but fail to raise the issue. Some may fear that addressing the conflict will only fuel the fire and escalate the problem. When the conflict is small or likely to pass quickly, conflict avoidance may be appropriate. For example, a manager may turn his or her back and allow workers to continue to use an outmoded procedure that is slower but still effective in getting the job done.

For more serious conflicts, avoiding the issues increases managerial resentment. Managers may take out their frustrations by overreacting to other unrelated issues.

2. Compromising

Compromisers address the issue and seek some common ground of agreement. They are willing to give a little to get a little. When preserving a long-term working relationship is at issue, both parties may be willing to compromise their positions on an issue for the sake of agreement. Similarly, *when some type of agreement is better than no agreement at all, a compromise may be an*

Conflicts involving older workers frequently center on job assignments, priorities, appropriate methods, work loads, and rewards.

effective conflict resolution strategy. For example, a sales manager decides to reorganize the sales territories. An older salesman wants to keep his long-standing customers and resists the reorganization. A compromise is reached by letting him keep several of his long-standing customers in addition to the new territory.

3. Forcing

Managers who have the power to reward or punish their employees can attempt to use a forcing style of conflict resolution. Forcing means "I win and you lose. You will accept my solution or else." Under tight deadlines or in emergency situations, managers may feel that forcing is the only alternative because there is insufficient time for compromise or problem-solving.

Forcing sometimes leads to resentment, resistance, and even sabotage. For example, in a small manufacturing firm, a young director of purchasing ordered the two purchasing agents to get his approval prior to signing a purchasing contract. The purchasing agents, veterans of a system that allowed them much more autonomy, often neglected to get their boss's written approval for their contracts. The director of purchasing wrote the purchasing agents a threatening memo, demanding that they comply with his new policy. In retaliation, the purchasing agents conspired to flood him with contracts, bog down the purchasing system in red tape, and make their boss look foolish. The purchasing agents would not be pushed around by their boss. Clearly, a forcing style of conflict resolution is risky.

4. Problem Solving

Some managers view conflicts as battles to be won or lost. Others view conflicts as problems to be resolved. They engage their subordinates in a process designed to find a solution that both parties feel satisfied their needs and objectives.

For example, Tom, an aggressive young sales manager, recently joined a small family business. He made heavy demands on his administrative assistance, Betty. Betty, who was 61, feared that her new boss was intentionally pressuring her into early retirement. After several tense weeks, Tom decided to try to resolve their conflict by using a problem-solving approach. Here are the steps he followed:

- ☐ *Problem identification*
  He confronted Betty with the problem.
  He explained that he had set ambitious goals and needed her cooperation and support.
  He listened carefully to her concerns.
- ☐ *Brainstorming alternative solutions*
  Both Tom and Betty contributed ideas for solutions.
  Evaluation of ideas was temporarily suspended to foster creativity.
- ☐ *Choice of mutually acceptable solution*
  Tom and Betty evaluated each alternative and selected the most effective.

When followed carefully, the problem-solving approach leads to solutions that are satisfactory to both manager and employee.

- ☐ *Solution implementation*
  Tom and Betty agreed on the solution and set a timetable for implementation.
- ☐ *Evaluation of solution*
  Both assessed the effectiveness of how the solution worked.

When followed carefully, *the problem-solving approach leads to solutions that are satisfactory to both manager and employee.* Since both parties had a hand in shaping the solution, both are more committed to its successful implementation. Finally, the problem-solving approach often helps build a better working relationship between manager and employee. It is a strategy that is often useful when conflicts develop with older employees.

As the work force becomes increasingly diverse, managers must take responsibility for helping employees work to their full potential. Managers who develop skills in the areas of motivation, communication, interpersonal development, overcoming resistance to change, and conflict resolution will contribute to maintaining and improving the performance of both younger and older workers.

In addition to the good faith efforts of individual managers, organizations need to consider how changes in human resource policies and practices also support the continued productivity of older workers. Two human resource programs of particular importance to older workers are flexible work schedules and health and wellness programs.

Creating Alternative Work Arrangements for Older Workers

Research has shown that human resource management policies in many organizations force older workers to choose between full-time employment or retirement. However, survey findings show that many older workers would prefer more flexible work options toward the end of their careers. Older workers express strong preferences for phased retirement, moving from full time work to a reduced work schedule. Working on a more flexible schedule or even working at home appeals to others. Postretirement options to work on a consultancy basis or to fill in during peak work periods would appeal to many older employees.

By creating more flexible work options, organizations can capitalize on the experience and know-how of many older workers who would otherwise elect total retirement. One aerospace organization, for example, created a "casual employment" program where older employees can elect to work up to 1,000 hours per year without adversely affecting their pension benefits. Another organization uses retired workers in its "sales emeritus" program to coach new salespeople. And Travelers insurance has created part-time opportunities for retirees to work in their Consumer Information Office. Each of these programs taps the talents and experience of older employees and *saves the company considerable costs* associated with recruiting, selecting, and training new employees.

As the work force becomes increasingly diverse, managers must take responsibility for helping employees work to their full potential.

Health and Wellness Programs

The rising cost of health care coverage is one of the biggest obstacles to the full use of older workers in American business, according to a 1989 AARP-sponsored survey of 400 companies. Organizations can slow rising health care costs and keep older workers active and vital by instituting health and wellness programs designed to keep employees in good health through preventive measures. Such programs range from no-cost activities like weight-loss or exercise classes taught by volunteer instructors, to complex stay-well programs including extensive health education; free physical examinations; the use of exercise facilities; programs to fight alcohol, tobacco, and drug use; and healthy dietary offerings in the employee cafeteria. In addition to organization-wide programs, job redesign or voluntary downward movement can reduce excessive physical or mental stress on individual older workers.

Organizations that institute wellness programs can reduce their medical costs and produce measurable improvements in attendance, productivity, and morale. Equally importantly, the lives of their employees can be substantially improved.

Many employers have found that older workers are a valuable resource. These employers have learned that it is ability, not age, that counts on the job. They appreciate that managing older workers begins with identifying and eliminating age stereotypes. Practicing important management competencies with respect to motivation, communication, career management, and conflict resolution will help overcome a variety of day-to-day barriers that might prevent older employees from working to their full potentials. Finally, development of flexible work options and support for wellness programs will help extend the careers and maintain the performance of older workers. The payoff for organizations — successfully using the experience of a lifetime.

By creating more flexible work options, organizations can capitalize on the experience and know-how of many older workers who would otherwise elect total retirement.

Selected Readings

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AARP is the nation's leading organization for people age 50 and over. It serves their needs and interests through legislative advocacy, research, informative programs, and community services provided by a network of local chapters and experienced volunteers throughout the country. The organization also offers members a wide range of special membership benefits, including *Modern Maturity* magazine and the monthly *Bulletin*.

AARP's Work Force Programs Department is educating employers, employees, and the general public about retirement and employment issues affexcting older workers. Through its programs, publications, and volunteer activities, the Department strives to achieve the folowing goals:

- ☐ To assist employers to recruit, manage, train, and retain an aging and increasingly diverse work force;
- ☐ To help empower persons to make informed employment and retirement decisions;
- ☐ To advocate the enforcement of nondiscriminatory rules, policies, and practices related to age in the workplace; and
- ☐ To develop innovative programs and models that will increase work options available to older persons.

The Work Force Programs Department offers resources to employers interested in using the skills and experience of older workers. Among the resources available are:

- ☐ *Working Age*, a free newsletter highlighting employment trends;
- ☐ NOWIS, a data base of information about how more than 150 employers utilize older workers;
- ☐ Management guides and training manuals; and
- ☐ Worker education materials.

For more information on managing older workers and other activities listed above, contact:

Business Partnerships
AARP Work Force Programs Department
601 E Street, N.W.
Washington, DC 20049
(202) 434-2090

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